until the close of the succeeding fiscal year. For the purpose of this section, obligation of allocated funds occurs when a Project Agreement is signed by the Secretary, or his authorized representative, attesting to his approval.

### §81.8 Payments.

The payment of the Federal share of costs incurred in the conduct of activities included under a Project Agreement shall be in accordance with Treasury Circular 1075.

- (a) Federal payments under the Act shall not exceed 75 percent of the program costs as stated in the agreement; except, the Federal share may be increased to 90 percent when two or more States having a common interest in one or more endangered or threatened species, the conservation of which may be enhanced by cooperation of such States, enter jointly into an agreement with the Secretary.
- (b) The State share of program costs may be in the form of cash or in-kind contributions, including real property, subject to standards established by the Secretary as provided in Office of Management and Budget Circular A-102.
- (c) Payments under the Endangered Species Act, including such preliminary costs and expenses as may be incurred in connection with projects, shall not be made unless all documents that may be necessary or required in the administration of this Act shall have first been submitted to and approved by the Secretary. Payments shall be made for expenditures reported and certified by the State agencies. Payments shall be made only to the State office or official designated by the State agency and authorized under the laws of the State to receive public funds of the State.
- (d) Vouchers and forms provided by the Secretary and certified as therein prescribed, showing amounts expended and the amount of Federal Aid funds claimed to be due on account thereof, shall be submitted to the Secretary by the State agency.

[40 FR 47509, Oct. 9, 1975, as amended at 44 FR 31581, May 31, 1979; 49 FR 30074, July 26, 1984]

## §81.9 Assurances.

The State must assure and certify that it will comply with all applicable Federal laws, regulations, and requirements as they relate to the application, acceptance, and use of Federal funds for projects under the Act in accordance with Office of Management and Budget Circular A-102.

[40 FR 47509, Oct. 9, 1975, as amended at 44 FR 31581, May 31, 1979]

### §81.10 Submission of documents.

Papers and documents required by the Act or by regulations in this part shall be deemed submitted to the Secretary from the date of receipt by the Director of the U.S. Fish and Wildlife Service.

# § 81.11 Divergent opinions over project merits.

Any difference of opinion about the substantiality of a proposed project or appraised value of land to be acquired are considered by qualified representatives of the Secretary and the State. Final determination in the event of continued disagreement rests with the Secretary.

# §81.12 Contracts.

The State may use its own regulations in obtaining services providing that they adhere to Federal laws and the requirements provided by Office of Management and Budget Circular A-102. The State is the responsible authority without recourse to the Secretary regarding settlement of contractual issues.

 $[40~{\rm FR}~47509,~{\rm Oct.}~9,~1975,~{\rm as~amended~at}~44~{\rm FR}~31581,~{\rm May}~31,~1979]$ 

## §81.13 Inspection.

Supervision of each project by the State shall include adequate and continuous inspection. The project will be subject to periodic Federal inspection.

# §81.14 Comprehensive plan alternative.

In the event that the State elects to operate under a comprehensive fish and wildlife resource planning system, the Cooperative Agreement will be an attachment to the plan. No Application for Federal Assistance will be required since the documentation will be incorporated in the plan. However, the continued existence of the comprehensive